CLEARVIEW RESOURCES LTD. REPORTS SECOND QUARTER RESULTS OF 2022

CALGARY, ALBERTA – August 29, 2022 – **Clearview Resources Ltd.** ("Clearview" or the "Company") is pleased to announce its financial and operational results for the three and six months ended June 30, 2022.

"Clearview has made significant progress in transforming the Company's balance sheet by further reducing bank debt in the second quarter. During this time, Clearview repaid the Export Development of Canada loan, renewed its credit facility and sold a non-core property. As a result, the Company had bank debt of $3.2 million owed to its lender at quarter end. Clearview's continued focus on debt repayment combined with higher commodity prices signifies the ability to be free of bank debt in the near term", commented Tony Angelidis, Clearview's CEO.

Q2 2022 HIGHLIGHTS

- Generated an operating netback(1) of $37.26 per barrel of oil equivalent ("boe") in the three months ended June 30, 2022, an increase of 170% over the comparative period of 2021;

- Generated adjusted funds flow(2) of $3.2 million in the three months ended June 30, 2022 and cash provided by operating activities of $2.1 million as compared to $1.0 million and $0.3 million, respectively, in the comparative period of 2021;

- Renewed the Company's operating credit facility ("Operating Facility") with its lender at $10.0 million, during the second quarter of 2022, with the next scheduled review date set for June 30, 2023;

- Repaid the Export Development of Canada guarantee loan of $6.25 million, in the second quarter of 2022, eliminating the annual renewal fee of 1.8%, using the Company's Operating Facility and cash on hand;

- Reduced the Company's net debt(2) to $5.0 million at June 30, 2022, from $10.2 million at December 31, 2021, inclusive of the Company's convertible debentures of $1.2 million;

- Increased the realized sales price per boe(3) by 99%, in the three months ended June 30, 2022 over the comparative period, to $69.89 per boe resulting in an increase in oil and natural gas sales of $5.6 million over the comparative period of 2021; and

- Closed the disposition of 14,240 acres of undeveloped lands in the Jarvie area of Alberta for proceeds of $1.35 million, recording a gain on the sale of $1.2 million.

Notes

(1) Non-IFRS measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other entities. See "Non-IFRS Measures and Ratios" contained within this press release.

(2) Each of "adjusted funds flow" and "net debt" are capital management measures that do not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures and Ratios" contained within this press release.

(3) Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures and Ratios" contained within this press release.

FINANCIAL and OPERATIONAL RESULTS

Production for the three months ended June 30, 2022 was 2,016 boe per day ("boe/d") as declines were largely offset through the reactivation and optimization programs undertaken in the first and second quarters of 2022. The Company also experienced reduced volumes from several processing facilities being taken offline in the quarter to complete repair and maintenance operations on the facilities.

Adjusted funds flow for the three months ended June 30, 2022 was $3.2 million, an increase of 232%, over the comparative period of 2021, primarily due to a 99% increase in oil and natural gas revenue as a result of higher realized sales prices for the Company's production. This increase in revenue was offset by higher royalties due to the higher prices, higher operating costs due to an increase in the cost of field services and a greater realized loss on financial instruments due to the significant increase in oil and natural gas prices. For the six months ended June 30, 2022, the Company generated adjusted funds flow of $5.7 million ($0.49 per basic share), up 142% (145%), as compared to the six months of the prior year.

Capital expenditures for the three months ended June 30, 2022 were $0.6 million, primarily focused on a reactivation/optimization program undertaken in the Garrington area. Net capital expenditures for the three months ended June 30, 2022 were a negative $0.8 million due to the proceeds of $1.35 million received on the disposition of undeveloped lands in the Jarvie area of Alberta. Clearview recorded a gain of $1.2 million on the disposition.

Clearview reduced its outstanding bank debt by $5.6 million and increased its working capital deficit by $0.4 million for a net debt reduction of $5.2 million in the first six months of 2022. At June 30, 2022, the Company had net debt of $5.0 million, consisting of bank debt with ATB Financial of $3.2 million, convertible debentures of $1.2 million and a working capital deficit of $0.6 million. The Company renewed its credit facility with its lender at $10.0 million with the next scheduled review date set for June 30, 2023.

FINANCIAL and OPERATING HIGHLIGHTS

Financial

	Three months ended			Six months ended		
	June 30 2022	June 30 2021	% Change	June 30 2022	June 30 2021	% Change
Oil and natural gas sales	12,821	7,207	78	22,980	13,658	68
Adjusted funds flow (1)	3,246	978	232	5,703	2,355	142
Per share – basic (2)	0.28	0.08	250	0.49	0.20	145
Per share – diluted (2)	0.25	0.08	213	0.45	0.20	125
Cash provided by operating activities	2,067	342	504	4,400	1,788	146
Per share – basic	0.18	0.03	500	0.38	0.15	153
Per share - diluted	0.16	0.03	433	0.34	0.15	127
Net earnings (loss)	3,849	(2,527)	(252)	2,192	(4,199)	(152)
Per share – basic	0.33	(0.22)	(250)	0.19	(0.36)	(153)
Per share - diluted	0.30	(0.22)	(236)	0.18	(0.36)	(150)
Net debt (1)	5,019	11,642	(57)	5,019	11,642	(57)
Average shares outstanding	11,671	11,671	-	11,671	11,671	-

(1) Capital management measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures and Ratios" contained within this press release.

(2) Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See "Non-IFRS Measures and Ratios" contained within this press release.

Production

	Three months ended			Six months ended		
	June 30 2022	June 30 2021	% Change	June 30 2022	June 30 2021	% Change
Oil – bbl/d	446	504	(12)	441	483	(9)
Natural gas liquids – bbl/d	482	549	(12)	487	450	8
Total liquids – bbl/d	928	1,053	(12)	928	933	(1)
Natural gas – mcf/d	6,528	7,233	(10)	6,745	7,473	(10)
Total – boe/d	2,016	2,258	(11)	2,052	2,179	(6)

Realized sales prices (1)

	Three months ended			Six months ended		
	June 30 2022	June 30 2021	% Change	June 30 2022	June 30 2021	% Change
Oil – $/bbl	132.15	72.43	82	120.96	67.73	79
NGLs – $/bbl	66.66	34.23	95	64.36	38.07	69
Natural gas – $/mcf	7.64	3.30	132	6.27	3.42	83
Total – $/boe	69.89	35.07	99	61.88	34.63	79

(1) Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures of other entities. See “Non-IFRS Measures and Ratios” contained within this press release.

Netback analysis (1)

	Three months ended			Six months ended		
Barrel of oil equivalent ($/boe)	June 30 2022	June 30 2021	% Positive (Negative)	June 30 2022	June 30 2021	% Positive (Negative)
Realized sales price	69.89	35.07	99	61.88	34.63	79
Royalties	(11.41)	(5.94)	(92)	(10.71)	(4.25)	(152)
Processing income	0.62	0.73	(15)	0.67	0.68	(1)
Transportation	(1.83)	(1.82)	(1)	(1.65)	(1.75)	6
Operating	(20.01)	(14.22)	(41)	(19.65)	(15.34)	(28)
Operating netback (2)	37.26	13.82	170	30.54	13.97	119
Realized gain (loss) – financial instruments	(13.80)	(4.90)	(182)	(10.50)	(3.82)	(175)
General and administrative	(4.79)	(2.78)	(72)	(3.66)	(2.65)	(38)
Other (costs) income	-	0.09	(100)	-	0.05	(100)
Cash finance costs (2)	(0.99)	(1.47)	37	(1.02)	(1.57)	37
Corporate netback (2)	17.68	4.76	271	15.36	5.98	157

(1) % Positive (Negative) is expressed as being positive (better performance in the category) or negative (reduced performance in the category) in relation to operating netback, corporate netback and net earnings.
(2) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures or ratios of other entities. See “Non-IFRS Measures and Ratios” contained within this press release.

OPERATIONS

Field activity in the second quarter of 2022 resumed in mid-May after spring break-up conditions ended and allowed suitable access to the Company’s fields. Clearview reactivated 5 gross (3.3 net) wells and performed workovers on 5 gross (4.3 net) wells in the Company’s Garrington area, for a cost of approximately $0.4 million. This program, combined with the first phase of the 2022 reactivation and optimization program in the first quarter, has been successful in mitigating corporate declines, achieving a production rate in the second quarter of 2022 of 2,016 boe/d compared to the first quarter of 2022 of 2,088 boe/d and the fourth quarter of 2021 of 2,045 boe/d. These production totals were achieved despite approximately 75 boe/d of downtime in the second quarter due to various third-party gas plant turnarounds.

The Company has initiated the third phase of the 2022 reactivation and optimization program and will utilize a service rig from early September through mid-December performing various workovers in conjunction with Clearview's operated well abandonment program.

In addition to internally funded abandonment and reclamation activities, Clearview continues to utilize the government funded Site Rehabilitation Program to reclaim wellsites and perform environmental assessments with the goal of achieving reclamation certificates.

OUTLOOK

Consistent with Clearview's strategy to seek liquidity for its shareholders, management and the Board intend to continue to improve the corporation's financial position by prioritizing bank debt repayment to enhance shareholder value.

As part of the liquidity strategy, the Company is continuing with an optimization and reactivation program, leveraging on the successful results of the 2021 and first half 2022 programs. Maintaining a strong producing asset base and minimizing production declines, as the Company retires its bank debt, is expected to support Clearview's objective to provide liquidity to its shareholders.

As Clearview's line-of-sight to being debt-free in the fourth quarter of 2022 becomes clearer, combined with the current robust commodity price environment, the Company remains excited about the future development opportunities within its core operating areas.

Clearview's June 30, 2022 financial statements and management's discussion and analysis are available on the Company's website at www.clearviewres.com and SEDAR at www.SEDAR.com.

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Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively “forward-looking information”) within the meaning of applicable securities laws relating to the Company’s plans and other aspects of our anticipated future operations, management focus, strategies, financial, operating and production results, industry conditions, commodity prices and business opportunities. Specifically, this press release has forward looking information with respect to: future drilling plans; realized results from the Company’s second and third phase of the reactivation and optimization programs; the timing of the annual credit review; expected cash provided by continuing operations; future asset retirement obligations; future capital expenditures, including the amount and nature thereof; oil and natural gas prices and demand; expansion and other development trends of the oil and gas industry; the retirement of debt, including the ability to retire bank debt and the timing of such retirement; the ability to provide liquidity to shareholders; and overall growth strategy. Forward-looking information typically uses words such as “anticipate”, “believe”, “project”, “expect”, “goal”, “plan”, “intend” or similar words suggesting future outcomes, statements that actions, events or conditions “may”, “would”, “could” or “will” be taken or occur in the future. Statements relating to “reserves” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

The forward-looking information is based on certain key expectations and assumptions made by our management, including expectations and assumptions concerning prevailing commodity prices and differentials, exchange rates, applicable royalty rates and tax laws; the impact government assistance programs will have on the Company in connection with, among other things, the COVID-19 pandemic; the impact on energy demands going forward and the inability of certain entities, including OPEC to agree on crude oil production output constraints; the impact on commodity prices, production and cash flow due to production shut-ins; the impact of regional and/or global health related events on energy demand; global energy policies going forward; our ability to execute our plans as described herein; global energy policies going forward; future exchange rates; future debt levels; the availability and cost of financing, labour and services; the impact of increasing competition and the ability to market oil and natural gas successfully and our ability to access capital. Although Clearview believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Clearview can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature such information involves inherent risks and uncertainties which could include the possibility that Clearview will not be able to execute some or all of its ongoing programs; general economic and political conditions in Canada, the U.S. and globally, and in particular, the effect that those conditions have on commodity prices and our access to capital; further fluctuations in the price of crude oil, natural gas liquids and natural gas; fluctuations in foreign exchange or interest rates; adverse changes to differentials for crude oil and natural gas produced in Canada as compared to other markets and worsened transportation restrictions. Our actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide securityholders with a more complete perspective on our future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this press release and we disclaim any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Reader Advisory

Non-IFRS Measures and Ratios

Throughout this press release and other materials disclosed by the Company, Clearview uses certain measures and ratios to analyze financial performance, financial position and cash flow. These non-IFRS and other financial measures and ratios do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other financial measures and ratios should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Clearview’s performance. Management believes that the presentation of these non-IFRS and other financial measures and ratios provides useful information to shareholders and investors in understanding and evaluating the Company’s ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Clearview’s business performance.

Capital Management Measures

Adjusted Funds Flow

Adjusted funds flow represents cash provided by operating activities before changes in operating non-cash working capital and decommissioning expenditures. The Company considers this metric as a key measure that demonstrate the ability of the Company’s continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment, to repay debt and return capital to shareholders. Management believes that this measure provides an insightful assessment of the Company's operations on a continuing basis by eliminating the actual settlements of decommissioning obligations, the timing of which is discretionary. Adjusted funds flow should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Clearview's determination of adjusted funds flow may not be comparable to that reported by other companies. Clearview also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of earnings per share. Please refer to Note 14(d) "Capital Management" in Clearview's June 30, 2022 interim financial statements for additional disclosure on Adjusted Funds Flow.

<u>Net Debt</u>

Clearview closely monitors its capital structure with a goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (current assets, excluding financial derivatives, less current liabilities, excluding financial derivatives, less convertible debentures to assess financial strength, capacity to finance future development and to assist in assessing the liquidity of the Company. Please refer to Note 14(d) "Capital Management" in Clearview's June 30, 2022 interim financial statements for additional disclosure on Net Debt.

Non-IFRS Measures and Ratios

<u>Capital Expenditures</u>

Capital expenditures equals additions to property, plant & equipment and additions to exploration & evaluation assets. Clearview considers capital expenditures to be a useful measure of adjusted funds flow used for capital reinvestment. The most directly comparable IFRS measure to capital expenditures is additions to property, plant & equipment and additions to exploration & evaluation assets.

<u>Net Capital Expenditures</u>

Net capital expenditures equals capital expenditures plus acquisitions of property, plant & equipment and less dispositions of property, plant & equipment. Clearview uses net capital expenditures to measure its total capital investment compared to the Company's annual capital budget expenditures. The most directly comparable IFRS measure to net capital expenditures is cash used in investing activities.

	Three months ended		Six months ended	
	June 30 2022	June 30 2021	June 30 2022	June 30 2021
Cash used in investing activities	(710)	541	301	511
Changes in non-cash working capital	(90)	(350)	32	164
Net capital expenditures	(800)	191	333	675

<u>Cash Finance Costs per boe</u>

Cash finance costs per boe is calculated by dividing cash finance costs by total production volumes sold in the period. Management considers cash finance costs per boe an important measure to evaluate the Company's cost of debt financing relative to the Company's corporate netback per boe. The most directly comparable IFRS measure to cash financing costs is finance costs.

	Three months ended		Six months ended	
	June 30 2022	June 30 2021	June 30 2022	June 30 2021
Finance costs	429	420	777	872
Accretion of decommissioning obligations and convertible debentures	(248)	(118)	(399)	(253)
Cash finance costs	181	302	378	619

Operating Netback per boe

Operating netback per boe is calculated by dividing operating netback by total production volumes sold in the period. Operating netback equals oil and natural gas sales plus processing income, less royalties, transportation expenses and operating expenses. Management considers operating netback per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Corporate Netback per boe

Corporate netback per boe is calculated as operating netback less general and administrative expenses and finance costs, plus/(minus) realized gains (losses) on financial instruments, minus(plus) other costs (income), plus accretion of decommissioning obligations and convertible debentures divided by total production volumes sold in the period. Management considers corporate netback per boe an important measure to assist management and investors in assessing Clearview's overall cash profitability.

Supplementary Financial Measures

Adjusted funds flow per share is comprised of adjusted funds flow divided by the basic weighted average common shares.

Adjusted funds flow per diluted share is comprised of adjusted funds flow divided by the diluted weighted average common shares.

Realized sales price – oil is comprised of light crude oil commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's oil production.

Realized sales price - ngl is comprised of natural gas liquids commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's ngl production.

Realized sales price – natural gas is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's natural gas production.

Realized sales price – total is comprised of oil and natural gas sales from production, as determined in accordance with IFRS, before deduction of transportation costs and excluding gains and losses on financial instruments, divided by the Company's total production on a boe basis.

Oil and Gas Advisories

This press release contains certain oil and gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this document to provide readers with additional measures to evaluate our performance however, such measures are not reliable indicators of our future performance and future performance may not compare to our performance in previous periods and therefore such metrics should not be unduly relied upon. Specifically, this press release contains the following metrics:

- Boe means barrel of oil equivalent on the basis of 6 mcf of natural gas to 1 bbl of oil. The term "boe" may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6: 1, using a conversion on a 6: 1 basis may be misleading as an indication of value.

Abbreviations

Bbl	barrel
Boe	barrel of oil equivalent
Mbbl	thousands of barrels
Mboe	thousands of barrels of oil equivalent
MMboe	million barrels of oil equivalent
mcf	thousand cubic feet
MMbtu	millions of British thermal units
MMcf	million cubic feet